



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Purchase of Underground Primary Electrical Conductor  
(\$42,730.47)

MEETING DATE: June 18, 1997

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution awarding the bid for the purchase of 20,000 feet of #2AWG, and 20,000 feet of #2/0 primary underground conductor to the low bidders in each size category, BICC Cables of Huntington Beach (\$19,438.10), and Platt Electric of Stockton (\$23,292.37).

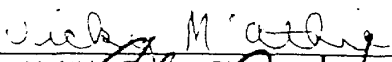
BACKGROUND INFORMATION: On May 7, 1997, the City Council approved specifications and authorized advertisement for bids.

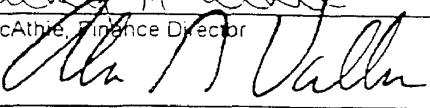
Bid instructions requested that bidders submit both firm prices and prices subject to change based on the spot prices of copper and aluminum at the time of delivery. A summary of the bids received and opened on May 28, 1997 is attached as Exhibit A.

Staff recommends purchasing the #2 cable from BICC at their firm price of \$902.00 per thousand feet. While aluminum prices have remained relatively steady, copper prices have been trending upward. Copper prices need increase only about 12% in the next 20 weeks, therefore, to have BICC's lower variable price eventually exceed their firm price, a risk that staff prefers not to take, given the 20-week leadtime.

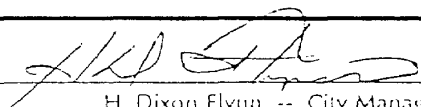
On the other hand, Platt's variable price for #2/0 is such that, in the next ten weeks (Platt's leadtime), copper prices would have to rise nearly 85%, or a dollar a pound, to have Pirelli's low *firm* pricing represent the better buy. Staff believes an increase of such magnitude is unlikely.

FUNDING: Electric Utility Department Operating Fund

  
Vicky McAthie, Finance Director

  
Alan N. Vallow, Electric Utility Director

Prepared by Joel Harris, Purchasing Officer

APPROVED: 

H. Dixon Flynn -- City Manager

## EXHIBIT A

**SUMMARY OF BIDS**  
MAY 28, 1997  
15KV PRIMARY CONDUCTOR  
B-2777  
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**FIRM PRICING:**

	BICC UTILITY	PIRELLI CABLE	CHAMPION <sup>1</sup>	PLATT	WESCO	ROME CABLE
20,000 ft #2AWG	\$902.00/M'	\$915.00/M'	\$1,034.00/M'	\$1,230.77/M'	No Bid	No Bid
<b>TOTAL, DEL'D</b>	<b>\$19,438.10</b>	<b>\$19,718.25</b>	<b>\$22,282.70</b>	<b>\$26,523.10</b>		
2,500 ft #2/0 Unjacketed	\$1,408.00/M'	\$1,024.00/M'	\$1,495.00/M'	\$1,784.62/M'	No Bid	No Bid
Reel Deposit	\$400.00	\$500.00	\$700.00	\$0.00		
17,500 ft #2/0 Jacketed	\$1,320.00/M'	\$1,220.00/M'	\$1,679.00/M'	\$2,005.13/M'	No Bid	No Bid
<b>TOTAL, DEL'D</b>	<b>\$29,133.05</b>	<b>\$26,263.03</b>	<b>\$36,386.80</b>	<b>\$42,616.56</b>		
DEL'Y (Weeks ARO)	20	13	1 (#2); 12 (#2/0)	1 (#2); 10 (#2/0)		
TERMS	NET 30	NET 30	2% 20 NET 30	NET 30		

**PRICES SUBJECT TO CHANGE:**

	BICC UTILITY	PIRELLI CABLE	CHAMPION <sup>1</sup>	PLATT	WESCO	ROME CABLE
20,000 ft #2AWG	\$883.00/M'	\$905.00/M'	\$1,034.00/M'	\$983.81/M'	\$1,009.70/M'	No Bid
<b>TOTAL, DEL'D</b>	<b>\$19,028.65</b>	<b>\$19,502.75</b>	<b>\$22,282.70</b>	<b>\$21,201.11</b>	<b>\$21,759.04</b>	

**METALS PRICES:**

AL (per lb)	\$ .79	\$ .80	\$ .756	\$ .7651	\$ .7651	
CU (per lb)	\$1.138	\$1.19	\$1.097	\$1.097	\$1.097	

**POUNDS/1000' WIRE**

AL	62	61.2	62.3	62	62	
CU	133	130.4	130	133	133	

2,500 ft #2/0 Unjacketed	\$1,388.00/M'	\$1,013.00/M'	\$1,433.00/M'	\$892.78/M'	\$916.27/M'	No Bid
Reel Deposit	\$450.00	\$500.00	\$700.00	\$0.00	\$0.00	
17,500 ft #2/0 Jacketed	\$1,301.00/M'	\$1,208.00/M'	\$1,614.00/M'	\$1,107.72/M'	\$1,136.86/M'	No Bid
<b>TOTAL, DEL'D</b>	<b>\$28,720.91</b>	<b>\$26,007.12</b>	<b>\$34,994.13</b>	<b>\$23,292.37</b>	<b>\$23,905.12</b>	

**METALS PRICES:**

AL (per lb)	\$ .79	\$ .80	\$ .756	\$ .7651	\$ .7651	
CU (per lb)	\$1.13	\$1.19	\$1.097	\$1.097	\$1.097	

**POUNDS/1000' WIRE**

AL	125	123.2	124.9	125	125	
CU	118	117.5	120	120	120	

DEL'Y (Weeks ARO)	20	13	1 (#2); 12 (#2/0)	10	10-12	
TERMS	NET 30	NET 30	2% 20 NET 30	NET 30	NET 30	

Note 1: Champion Wire & Cable's bid was not signed

RESOLUTION NO. 97-73

A RESOLUTION OF THE LODI CITY COUNCIL AWARDING THE  
BID FOR THE PURCHASE OF UNDERGROUND PRIMARY  
ELECTRICAL CONDUCTOR

WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council sealed bids were received and publicly opened on May 28, 1997 at 11:00 a.m. for the purchase of 20,000 Feet/#2AWG and 20,000 Feet/#2/0 Primary Underground Conductor, described in the specifications therefore approved by the City Council on May 7, 1997; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as follows:

<u>Description</u>	<u>Bidder</u>	<u>Location</u>	<u>Bids</u>
20,000 Feet/#2AWG	BICC Cables	Huntington Beach	\$19,438.10
20,000 Feet/#2/0	Platt Electric	Stockton	\$23,292.37

WHEREAS, the City Manager recommends award of the bid for the purchase of Primary Underground Cable be made to the low bidders in each size category as shown as follows:

20,000 Feet/#2AWG Primary Underground Conductor to BICC Cables of Huntington Beach, CA in the amount of \$19,438.10; and

20,000 Feet/#2/0 Primary Underground Conductor to Platt Electric of Stockton, CA in the amount of \$23,292.37

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the bid for the purchase of Primary Underground Conductor, be and the same is hereby awarded to, the low bidders in each size category as shown as follows:

20,000 Feet/#2AWG Primary Underground Conductor to BICC Cables of Huntington Beach, CA in the amount of \$19,438.10; and

20,000 Feet/#2/0 Primary Underground Conductor to Platt Electric of Stockton, CA in the amount of \$23,292.37

Dated: June 18, 1997

I hereby certify that Resolution No. 97-73 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 18, 1997, by the following vote:

AYES: COUNCIL MEMBERS -

NOES: COUNCIL MEMBERS -

ABSENT: COUNCIL MEMBERS -

ABSTAIN: COUNCIL MEMBERS -

ALICE M. REIMCHE  
Acting City Clerk